

Adopted	Rejected
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COMMITTEE REPORT

YES:	8
NO:	0

MR. SPEAKER:

*Your Committee on Financial Institutions, to which was referred House Bill 1351, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, line 17, delete "section 17 of this" and insert "**IC**
- 2 **36-2-7-10.**".
- 3 Page 2, delete line 1.
- 4 Page 2, delete lines 10 through 19, begin a new paragraph and
- 5 insert:
- 6 "SECTION 2. IC 5-20-5-15.5 IS AMENDED TO READ AS
- 7 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15.5. (a) The governing
- 8 body of an eligible entity that receives a grant under this chapter shall,
- 9 by resolution, establish an affordable housing fund to be administered,
- 10 subject to the terms of the resolution, by a department, a division, or an
- 11 agency designated by the governing body.
- 12 (b) The affordable housing fund consists of:
- 13 (1) payments in lieu of taxes deposited in the fund under
- 14 IC 36-1-8-14.2;
- 15 (2) gifts and grants to the fund;
- 16 (3) investment income earned on the fund's assets; ~~and~~

1 **(4) money deposited in the fund under IC 36-2-7-10;**

2 **(5) money transferred to the fund under IC 32-24-1-34(g); and**

3 ~~(4)~~ **(6) other funds from sources approved by the commission.**

4 (c) The governing body shall, by resolution, establish uses for the
5 affordable housing fund. However, the uses must be limited to:

6 (1) providing financial assistance to those individuals and
7 families whose income is at or below eighty percent (80%) of the
8 county's median income for individuals and families, respectively,
9 to enable those individuals and families to purchase or lease
10 residential units within the county;

11 (2) paying expenses of administering the fund;

12 (3) making grants, loans, and loan guarantees for the
13 development, rehabilitation, or financing of affordable housing
14 for individuals and families whose income is at or below eighty
15 percent (80%) of the county's median income for individuals and
16 families, respectively, including the elderly, persons with
17 disabilities, and homeless individuals and families; and

18 (4) providing technical assistance to nonprofit developers of
19 affordable housing.

20 (d) The county treasurer shall invest the money in the fund not
21 currently needed to meet the obligations of the fund in the same
22 manner as other public funds may be invested.

23 SECTION 3. IC 32-34-1-34, AS AMENDED BY P.L.246-2005,
24 SECTION 217, IS AMENDED TO READ AS FOLLOWS
25 [EFFECTIVE JULY 1, 2007]: Sec. 34. (a) Except as provided in
26 section 42(d) of this chapter, the treasurer of state shall, on order of the
27 attorney general, pay the necessary costs of the following:

28 (1) Selling abandoned property.

29 (2) Mailing notices.

30 (3) Making publications required by this chapter.

31 (4) Paying other operating expenses and administrative expenses,
32 including:

33 (A) salaries and wages reasonably incurred by the attorney
34 general in the administration and enforcement of this chapter;
35 and

36 (B) costs incurred in examining records of the holders of
37 property and in collecting the property from the holders.

38 (b) If the balance of the principal of the abandoned property fund

established by section 33 of this chapter exceeds five hundred thousand dollars (\$500,000), the treasurer of state may, and at least once each fiscal year shall, transfer to the state general fund the balance of the principal of the abandoned property fund that exceeds five hundred thousand dollars (\$500,000).

(c) If a claim is allowed or a refund is ordered under this chapter that is more than five hundred thousand dollars (\$500,000), the treasurer of state shall transfer from the state general fund sufficient money to make prompt payment of the claim. There is annually appropriated to the treasurer of state from the state general fund the amount of money sufficient to implement this subsection.

(d) Before making a deposit into the abandoned property fund, the attorney general shall record the following:

(1) The name and last known address of each person appearing from the holder's reports to be entitled to the abandoned property.

(2) The name and last known address of each insured person or annuitant.

(3) The number, the name of the corporation, and the amount due concerning any policy or contract listed in the report of a life insurance company.

(e) Except as provided in ~~subsection~~ **subsections (f) and (g)**, earnings on the property custody fund and the abandoned property fund shall be credited to each fund.

(f) This subsection applies before July 1, 2007. On July 1 of each year, the interest balance in the property custody fund established by section 32 of this chapter and the interest balance in the abandoned property fund shall be transferred to the state general fund.

(g) This subsection applies after June 30, 2007. On July 1 of each year, the interest balance in the property custody fund established by section 32 of this chapter and the interest balance in the abandoned property fund shall be transferred to the affordable housing and community development fund established by IC 5-20-4-7."

Page 3, delete lines 32 through 37, begin a new line block indented and insert:

"(12) This subdivision applies in a county only if at least one (1) unit in the county has established an affordable housing fund under IC 5-20-5-15.5 and the county fiscal body adopts

an ordinance authorizing the fee described in this subdivision.
An ordinance adopted under this subdivision may authorize
the county recorder to charge a fee of:

(A) five dollars (\$5) for the first page; and

(B) one dollar (\$1) for each additional page;
of each document the recorder records.

(13) This subdivision applies in a county containing a
consolidated city that has established a housing trust fund
under IC 36-7-15.1-35.5(e). The county fiscal body may adopt
an ordinance authorizing the fee described in this subdivision.
An ordinance adopted under this subdivision may authorize
the county recorder to charge a fee of:

(A) five dollars (\$5) for the first page; and

(B) one dollar (\$1) for each additional page;
of each document the recorder records."

Page 4, after line 23, begin an new paragraph and insert:

"(i) This subsection applies to a county other than a county
containing a consolidated city. The county treasurer shall
distribute money collected by the county recorder under subsection
(b)(12) as follows:

(1) Sixty percent (60%) of the money collected by the county
recorder under subsection (b)(12) shall be distributed to the
units in the county that have established an affordable
housing fund under IC 5-20-5-15.5 for deposit in the fund. The
amount to be distributed to a unit is the amount available for
distribution multiplied by a fraction. The numerator of the
fraction is the population of the unit. The denominator of the
fraction is the population of all units in the county that have
established a fund. The population to be used for a county
that establishes a fund is the population of the county outside
any city or town that has established a fund.

(2) Forty percent (40%) of the money collected by the county
recorder under subsection (b)(12) shall be distributed to the
treasurer of state for deposit in the state affordable housing
and community development fund established under
IC 5-20-4-7 for the purposes of the fund.

The money shall be distributed under this subsection before the
sixteenth day of the month following the month in which the money

1 is collected from the county recorder.

2 (j) This subsection applies to a county described in subsection
3 (b)(13). The county treasurer shall distribute money collected by
4 the county recorder under subsection (b)(13) as follows:

5 (1) Sixty percent (60%) of the money collected by the county
6 recorder under subsection (b)(13) shall be deposited in the
7 housing trust fund established under IC 36-7-15.5-35.5(e) for
8 the purposes of the fund.

9 (2) Forty percent (40%) of the money collected by the county
10 recorder under subsection (b)(13) shall be distributed to the
11 treasurer of state for deposit in the state affordable housing
12 and community development fund established under
13 IC 5-20-4-7 for the purposes of the fund.

14 The money shall be distributed under this subsection before the
15 sixteenth day of the month following the month in which the money
16 is collected from the county recorder.

17 SECTION 5. IC 36-7-15.1-35.5 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 35.5. (a) The general
19 assembly finds the following:

20 (1) Federal law permits the sale of a multiple family housing
21 project that is or has been covered, in whole or in part, by a
22 contract for project based assistance from the United States
23 Department of Housing and Urban Development without
24 requiring the continuation of that project based assistance.

25 (2) Such a sale displaces the former residents of a multiple family
26 housing project described in subdivision (1) and increases the
27 shortage of safe and affordable housing for persons of low and
28 moderate income within the county.

29 (3) The displacement of families and individuals from affordable
30 housing requires increased expenditures of public funds for crime
31 prevention, public health and safety, fire and accident prevention,
32 and other public services and facilities.

33 (4) The establishment of a supplemental housing program under
34 this section will do the following:

35 (A) Benefit the health, safety, morals, and welfare of the
36 county and the state.

37 (B) Serve to protect and increase property values in the county
38 and the state.

1 (C) Benefit persons of low and moderate income by making
2 affordable housing available to them.

3 (5) The establishment of a supplemental housing program under
4 this section and sections 32 through 35 of this chapter is:

5 (A) necessary in the public interest; and

6 (B) a public use and purpose for which public money may be
7 spent and private property may be acquired.

8 (b) In addition to its other powers with respect to a housing program
9 under sections 32 through 35 of this chapter, the commission may
10 establish a supplemental housing program. Except as provided by this
11 section, the commission has the same powers and duties with respect
12 to the supplemental housing program that the commission has under
13 sections 32 through 35 of this chapter with respect to the housing
14 program.

15 (c) One (1) allocation area may be established for the supplemental
16 housing program. The commission is not required to make the findings
17 required under section 34(5) through 34(8) of this chapter with respect
18 to the allocation area. However, the commission must find that the
19 property contained within the boundaries of the allocation area consists
20 solely of one (1) or more multiple family housing projects that are or
21 have been covered, in whole or in part, by a contract for project based
22 assistance from the United States Department of Housing and Urban
23 Development or have been owned at one time by a public housing
24 agency. The allocation area need not be contiguous. The definition of
25 "base assessed value" set forth in section 35(a) of this chapter applies
26 to the special fund established under section 26(b) of this chapter for
27 the allocation area.

28 (d) The special fund established under section 26(b) of this chapter
29 for the allocation area established under this section may be used only
30 for the following purposes:

31 (1) Subject to subdivision (2), on January 1 and July 1 of each
32 year the balance of the special fund shall be transferred to the
33 housing trust fund established under subsection (e).

34 (2) The commission may provide each taxpayer in the allocation
35 area a credit for property tax replacement in the manner provided
36 by section 35(b)(7) of this chapter. Transfers made under
37 subdivision (1) shall be reduced by the amount necessary to
38 provide the credit.

(e) The commission shall, by resolution, establish a housing trust fund to be administered, subject to the terms of the resolution, by:

- (1) the housing division of the consolidated city; or
- (2) the department, division, or agency that has been designated to perform the public housing function by an ordinance adopted under IC 36-7-18-1.

(f) The housing trust fund consists of:

- (1) amounts transferred to the fund under subsection (d);
- (2) payments in lieu of taxes deposited in the fund under IC 36-3-2-11;
- (3) gifts and grants to the fund;
- (4) investment income earned on the fund's assets; ~~and~~
- (5) money deposited in the fund under IC 36-2-7-10(j); and**
- ~~(5)~~ **(6) other funds from sources approved by the commission.**

(g) The commission shall, by resolution, establish uses for the housing trust fund. However, the uses must be limited to:

- (1) providing financial assistance to those individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, to enable those individuals and families to purchase or lease residential units within the county;
- (2) paying expenses of administering the fund;
- (3) making grants, loans, and loan guarantees for the development, rehabilitation, or financing of affordable housing for individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, including the elderly, persons with disabilities, and homeless individuals and families; and
- (4) providing technical assistance to nonprofit developers of affordable housing.

(h) At least fifty percent (50%) of the dollars allocated for production, rehabilitation, or purchase of housing must be used for units to be occupied by individuals and families whose income is at or below fifty percent (50%) of the county's area median income for individuals and families respectively.

(i) The low income housing trust fund advisory committee is established. The low-income housing trust fund advisory committee consists of eleven (11) members. The membership of the low income

- 1 housing trust fund advisory committee is comprised of:
- 2 (1) one (1) member appointed by the mayor, to represent the
- 3 interests of low income families;
- 4 (2) one (1) member appointed by the mayor, to represent the
- 5 interests of owners of subsidized, multifamily housing
- 6 communities;
- 7 (3) one (1) member appointed by the mayor, to represent the
- 8 interests of banks and other financial institutions;
- 9 (4) one (1) member appointed by the mayor, of the department of
- 10 metropolitan development;
- 11 (5) three (3) members representing the community at large
- 12 appointed by the commission, from nominations submitted to the
- 13 commission as a result of a general call for nominations from
- 14 neighborhood associations, community based organizations, and
- 15 other social services agencies;
- 16 (6) one (1) member appointed by and representing the Coalition
- 17 for Homeless Intervention and Prevention of Greater Indianapolis;
- 18 (7) one (1) member appointed by and representing the Local
- 19 Initiatives Support Corporation;
- 20 (8) one (1) member appointed by and representing the
- 21 Indianapolis Coalition for Neighborhood Development; and
- 22 (9) one (1) member appointed by and representing the
- 23 Indianapolis Neighborhood Housing Partnership.
- 24 Members of the low income housing trust fund advisory committee
- 25 serve for a term of four (4) years, and are eligible for reappointment. If
- 26 a vacancy exists on the committee, the appointing authority who
- 27 appointed the former member whose position has become vacant shall
- 28 appoint an individual to fill the vacancy. A committee member may be
- 29 removed at any time by the appointing authority who appointed the
- 30 committee member.
- 31 (j) The low income housing trust fund advisory committee shall
- 32 make recommendations to the commission regarding:
- 33 (1) the development of policies and procedures for the uses of the
- 34 low income housing trust fund; and
- 35 (2) long term sources of capital for the low income housing trust
- 36 fund, including:
- 37 (A) revenue from:
- 38 (i) development ordinances;

- 1 (ii) fees; or
2 (iii) taxes;
3 (B) financial market based income;
4 (C) revenue derived from private sources; and
5 (D) revenue generated from grants, gifts, donations or income
6 in any other form, from a:
7 (i) government program;
8 (ii) foundation; or
9 (iii) corporation.
10 (k) The county treasurer shall invest the money in the fund not
11 currently needed to meet the obligations of the fund in the same
12 manner as other public funds may be invested."
13 Renumber all sections consecutively.
 (Reference is to HB 1351 as introduced.)

and when so amended that said bill do pass.

Representative Bardon